

First Mortgage and Community Infrastructure Program

Application Guidelines

1. What is the First Mortgage and Community Infrastructure Program?

The First Mortgage and Community Infrastructure Program (FMCIP) aims to strengthen the economic capacity and sustainability of Aboriginal organisations to move towards self-determination.

It will enable more Aboriginal organisations to meet social determinants such as education, health and housing. It will also improve the ability of Aboriginal organisations to respond to the ongoing and changing demands in social, economic, legislative and cultural environments.

There are currently 58 properties owned by Aboriginal organisations over which the Minister for Aboriginal Affairs (Minister) holds a first mortgage.

Under this program, eligible Aboriginal organisations who own such a property/properties may apply to have the first mortgage/s removed.

Category 1 and Category 2 of the FMCIP invites eligible Aboriginal organisations to apply for a contested grant to provide funding to undertake activities which will support their subsequent application for the removal of the first mortgage over their property/properties whilst Category 3 is a direct application to remove the first mortgage subject to successful completion of the First Mortgage Readiness Checklist.

Category 1 Urgent Repairs and Maintenance (up to \$50,000 plus GST) per property; and

Category 2 First Mortgage Initiative (feasibility study) (up to \$50,000 plus GST) per organisation.

Category 3 Removal of First Mortgage. No funding is provided for this stage.

Organisations receiving grant funding from the FMCIP must fully acquit any grant(s) under this program before an application for the Removal of First Mortgage can be approved.

All applications for Removal of the First Mortgage must satisfy the First Mortgage Readiness Checklist (see 7.1).

2. Why is the Victorian Government funding these grants?

Many Aboriginal community organisations have access to land and assets, which have the potential to be leveraged to develop business ventures, generate revenue and build wealth.

In Victoria, as a legacy of past practices, there are 58 properties owned by Aboriginal organisations over which the Minister holds a first mortgage.

The *Victorian Aboriginal Economic Strategy* commits the Victorian Government to remove first mortgages over properties owned by eligible Aboriginal organisations, subject to completion of **due diligence**. Removal of the first mortgages will strengthen opportunities for Aboriginal organisations to realise the full value of their properties, including through commercial arrangements. This is consistent with the Government's commitment to self-determination.

Successful projects will enable more Aboriginal organisations to:

- have mortgages released giving greater control of destiny and future direction;
- have greater control and choices regarding current and future use and development of facilities;
- achieve appropriate level of compliance with the relevant regulatory body;
- demonstrate strong governance;
- develop and implement Strategic and Business Plans;
- plan for natural attrition and succession;
- respond to internal governance crises and ensure greater stability and credibility; and
- work towards closing the gap on health and education outcomes.

3. Who can apply?

Victorian Aboriginal organisations, that currently own a property/properties over which the Minister holds a first mortgage are eligible to apply for removal of the first mortgage.

To be eligible for funding, Aboriginal organisations must be able to demonstrate that removal of the first mortgage will contribute to building enterprises, wealth and jobs for the Aboriginal community.

Applicants must also meet the following conditions:

- be an incorporated body, cooperative or association (including business associations);
- possess an Australian Business Number (ABN) or can provide written advice from the Australian Tax Office that no withholding tax is required from the grant payment;
- be registered for the Goods and Services Tax (GST); and
- be financially solvent – organisations in liquidation and/or administration are not eligible to apply for funding in this program.

To be eligible for removal of the First Mortgage, applicants must also provide evidence of compliance with all items on the **Removal of the First Mortgage Readiness Checklist (see 7.1)**

Eligible organisations are those organisations that currently own a property/properties over which the Minister holds a first mortgage. This includes any future property/properties by transfer or purchase which grant the Minister a first mortgage over the property.

4. What are the different category details? (See Diagram 1)

The FMCIP provides opportunities for Aboriginal organisations to receive support where the Minister holds/will hold a first mortgage over a property/properties owned by the organisation. Three funding categories are available.

Category 1: Urgent Repairs and Maintenance; and

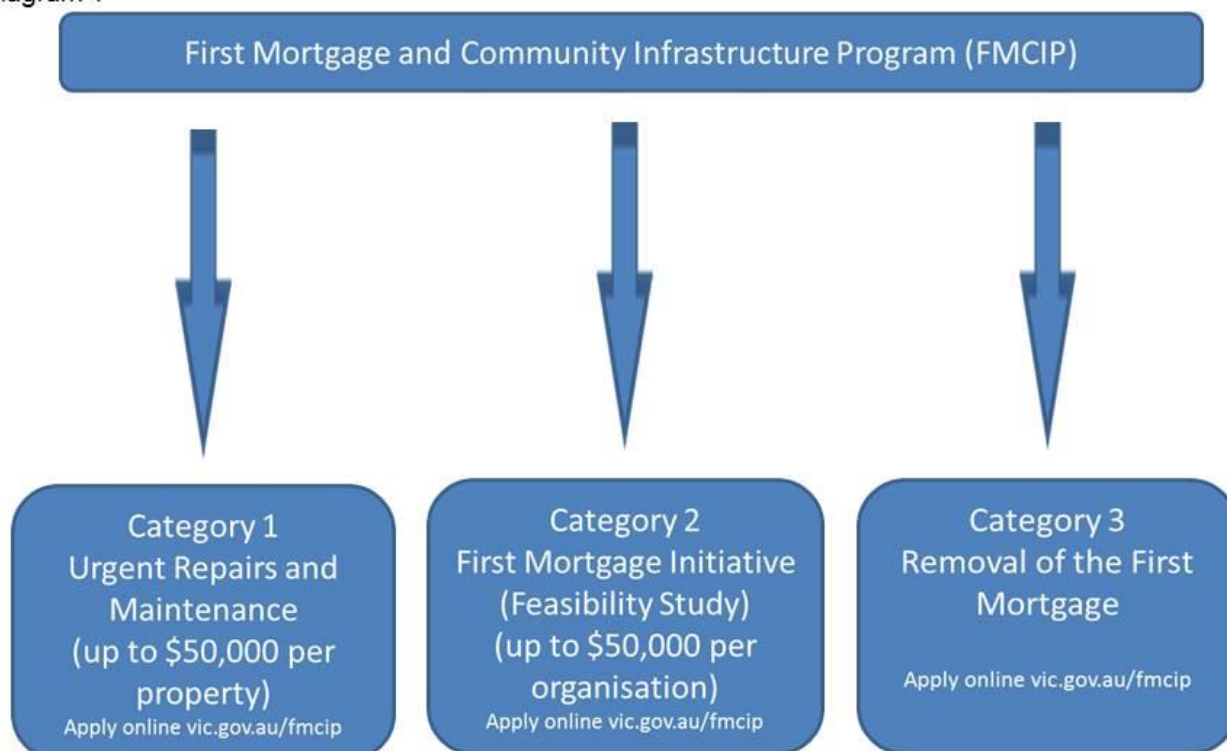
Category 2: First Mortgage Initiative (feasibility study).

Category 3: Removal of the First Mortgage

Eligible organisations may submit an application for Categories 1 and 2 for all properties. The table below shows the funding that is available for both categories.

There is no funding attached to Category 3 - removal of the first mortgage. The first mortgage will be removed for eligible Aboriginal organisations who demonstrate that the removal of the first mortgage will deliver the program objectives described in these guidelines through the Readiness Checklist.

Diagram 1



- Organisations can apply for Category 1 and 2 at the same time but must acquit prior to applying for Category 3.
- Organisations with more than one property can apply for Category 1 on all properties in one application.
- Organisations can apply directly for Category 3 without applying for Category 1 or Category 2.

Category	Activity Type	Funding available*	Description
1. Urgent Repairs and Maintenance	Funding application	Up to \$50,000** per property	Completion of necessary repairs and maintenance for a property over which the Minister Victoria holds/will hold a first mortgage.
2. First Mortgage Initiative	Funding application	Up to \$50,000** per organisation	Development of a feasibility study/ sustainable business model for a property over which the Minister Victoria holds/will hold a first mortgage.
3. Removal of First Mortgage	Legal process	\$0 (not applicable)	Organisations demonstrating a fully compliant First Mortgage Readiness Checklist can go straight to this category. The Readiness Checklist must include a feasibility study demonstrating self-sustainability and strong governance arrangements.

**Funding shown is GST exclusive. GST will be paid where the relevant organisation is registered for GST.

5. Timelines

Item	Urgent Repairs and Maintenance	First Mortgage Initiative	Removal of First Mortgage
Open Date	Now open	Now open	Now open
Close Date	30 June 2018	30 June 2018	30 June 2018
Preferable Project Timelines	Within approximately 4 months of signing funding agreement	Within approximately 2 months of signing funding agreement	Ongoing

6. What are the application details for Urgent Repairs and Maintenance and First Mortgage Initiative (Feasibility Study)?

7.1 Category 1 - Urgent Repairs and Maintenance

Grants of up to \$50,000 (plus GST) per property for urgent repairs and maintenance will be made available to maximise community use of the nominated property.

To be eligible the nominated property must be one where the:

- Minister holds a first mortgage
- organisation plans to undertake a feasibility study under this program or can provide written evidence of how the project will strengthen the economic capacity and long term sustainability of the organisation; and
- organisation plans to request the removal of the first mortgage.

Where an organisation submits an application for **Urgent Repairs and Maintenance**, the following will apply:

- if the organisation has more than one property, the organisation may apply for funding for all properties in the one application;
- if successful, the Urgent Repairs and Maintenance grant must be acquitted prior to an application for the Removal of the First Mortgage being approved for the same property. Special circumstances may apply.

The following documents are required to complete your application for **Urgent Repairs and Maintenance**.

Application checklist
<input type="checkbox"/> (mandatory) Completed online application form including a detailed response to the assessment criteria.
<input type="checkbox"/> (mandatory) The following templates are located at vic.gov.au/fmcip First Mortgage and Community Infrastructure Program – Project Plan; and Proposed Budget using the National Standard Chart of Accounts
<input type="checkbox"/> (mandatory) Provide site specific photos to support the strategic justification.
<input type="checkbox"/> (optional) Letters of support from partners or supporting organisations including details of their role in the project.

6.2 Category 2 - First Mortgage Initiative (Feasibility Study)

Grants of up to \$50,000 will be available per organisation to develop a feasibility study/sustainable business model that will allow removal of the first mortgage on all properties owned by the organisation.

To be eligible the nominated property must be one where:

- the Minister holds a first mortgage;
- any grant received previously for Urgent Repairs and Maintenance has been fully acquitted (if applicable);
- the organisation plans to request the removal of the first mortgage.

An organisation may apply directly for the First Mortgage Initiative without having received funding for Urgent Repairs and Maintenance.

All of the following documents are required to complete your application for the **First Mortgage Initiative**.

Application checklist
<input type="checkbox"/> (mandatory if applicable) Evidence of the acquittal of grants approved for this property/properties under this program.
<input type="checkbox"/> (mandatory) Completed online application form including a detailed response to the assessment criteria.
<input type="checkbox"/> (mandatory) The following templates are located at vic.gov.au/fmcip First Mortgage and Community Infrastructure Program – Project Plan; and Budget using the National Standard Chart of Accounts.
<input type="checkbox"/> (mandatory) Provide site specific photos to support the strategic justification.
<input type="checkbox"/> (mandatory) Up to two quotes
<input type="checkbox"/> (optional) Letters of support from all partners or supporting organisations including details of their role in the project .

6.3 What is the application process?

There are some important steps to consider before submitting an application for any or all of the three categories:

Category 1: Urgent Repairs and Maintenance (up to \$50,000 plus GST) per property;

Category 2: First Mortgage Initiative (up to \$50,000 plus GST) per organisation; and

Category 3: Removal of the First Mortgage (no funding applicable)

Step 1: Check your eligibility

- Check the detailed information contained in this guide to see if your organisation and your proposed activity is eligible.
- Contact the Grants Information Line on 1300 366 356 if you are unsure whether the Minister holds a first mortgage over a property of your organisation.
- Other important information about this grant program and the application process can be found at **vic.gov.au/fmcip**

Step 2: Talk to a representative from the Grants Information Line on 1300 366 356

- You can make enquiries or discuss your activity idea with the Grants Information Line on 1300 366 356.

Step 3: Apply online using DPC's online grant portal

- Collate requested documents listed in the Application checklist
- All applications must be submitted online using DPC's online grant portal **vic.gov.au/fmcip**

Step 4: Notification

- All applicants will receive an automated reply notification by email.

6.4 What will not be funded?

The FMCIIP will **not** fund:

- activities that do not meet the eligibility criteria;
- incomplete applications that do not provide all of the required documentation;
- activities that do not strongly meet the assessment criteria;
- organisations that are in liquidation or under administration;
- routine, cyclical or ongoing maintenance activities;

- renovations;
- activities where contributions from funding partners are not confirmed in writing;
- activities that do not align with the objectives of the program;
- applications submitted after the closing date, unless written approval has been received from Aboriginal Victoria prior to the closing date, which will only be granted under exceptional circumstances;
- activities that have already started;
- recurrent operating costs, for example rent and utility costs, and/or activities establishing expectations of ongoing funding; and
- activities that do not cater for or encourage gender diversity.

6.5 How will applications for funding be assessed?

Eligible applications for funding will be assessed using the criteria listed below and required documents. Percentage weightings are provided as a guide to the relative importance of different criteria in the assessment process. Applications should address all relevant criteria and provide relevant required documents as set out in the next section.

There are a number of common features in successful applications. Good applications are well planned, involve co-ordination and collaboration with relevant community partners, involve relevant stakeholders, and are clear about what they are trying to achieve. Answering each of the assessment criteria questions will help applicants develop a more thorough project proposal. The percentage weightings allocated to each criterion represents the importance of the different weighting that will be used to assess project applications.

6.6 What are the assessment criteria for funding?

The following questions must be answered in your online application. The percentage (%) indicates the weighting given to each question in the assessment process.

Assessment Criteria	
Why (Strategic justification) (20%)	Provide strategic justification as to why this project is required. Describe how this project responds to identified community needs. Provide site specific photos to support the strategic justification.
How (Project development) (20%)	Clearly identify the project scope, methodology and how the proposed outcomes will be completed within the prescribed timeframes. Provide a detailed project plan, including planning and implementation stages, start and end dates and the methods that will be used. Provide site specific plans and/or aerial maps where relevant.
Who (Stakeholder engagement) (10%)	Provide a detailed project management framework and indicate who will be the project manager. Provide evidence of appropriate qualifications of the project manager to manage the project (e.g. CV or resume).
Budget (Financial planning) (10%)	Provide details of any additional details of in-kind support, sponsorship, other grant funding or any organisation contributions. Confirm all funding sources and provide evidence where relevant. Provide details of all project costings, required quotes and demonstrate value for money.
What (Community participation) (20%)	Describe how the project will strengthen the community and provide more cultural strengthening opportunities. Describe how the project will provide an increase in participation, activities and membership, and include existing data. Describe how the project will increase the organisations' capacity including any volunteer, staff or Board member opportunities.
What (Project outcomes) (20%)	Please indicate how this project will achieve the program objectives (e.g. after three months, one year, five years). Provide details of how this project will assist the organisations work towards self-determination and self-sufficiency. Provide details of how this project will work towards closing the gap in health and education Describe how this project will assist in building organisational capacity, wealth creation, economic viability, employment outcomes and sustainability.

7. What are the submission details for the removal of first mortgages?

7.1 Category 3. Removal of the First Mortgage – Readiness Checklist

There is no provision of funding attached to the removal of the first mortgage. The first mortgage will be removed for eligible Aboriginal organisations, who can demonstrate that the removal of the first mortgage will deliver the program outcomes described in these guidelines.

Provision of evidence demonstrating the completion of all requirements on the **First Mortgage Readiness Checklist** is a prerequisite for removal of the first mortgage. This includes a feasibility study and/or sustainable business model for the property over which the Minister holds a “first mortgage”.

All requests for the removal of a first mortgage for a property will be reviewed by an external Advisory Panel established for the FMCIP. Aboriginal Victoria will consider recommendations from the Advisory Panel and, at times, may also consult with other government agencies to gather appropriate information. This information will form part of the briefing to the Minister, who will make the final decision.

First Mortgage Readiness Checklist (100%)
<input type="checkbox"/> Written response that demonstrates how the removal of the first mortgage will build enterprises (social and/or economic), wealth and jobs for the Aboriginal community.
<input type="checkbox"/> Provide site specific photos of the property.
<input type="checkbox"/> Evidence of the acquittal of any grants approved under this program (if applicable).
<input type="checkbox"/> A copy of the feasibility study and/or sustainable business modelling.
<input type="checkbox"/> Audited financial reports from the past five years.
<input type="checkbox"/> Annual general meeting reports from the past five years.
<input type="checkbox"/> Evidence of minutes for all meetings for past five years.
<input type="checkbox"/> Details of current membership list.
<input type="checkbox"/> A copy of the Model Rules/Constitution.
<input type="checkbox"/> Sighting of an active Conflict of Interest Register.
<input type="checkbox"/> Evidence of compliance with regulatory body (e.g. Consumer Affairs Victoria, Office of the Registrar of Indigenous Corporations, Australian Securities and Investment Commission).
<input type="checkbox"/> A copy of the organisation's current strategic plan.
<input type="checkbox"/> A copy of the organisation's current operational plan.
<input type="checkbox"/> Details of organisation's structure including a list of current employees and members of the Board.
<input type="checkbox"/> Attach any other relevant documentation to support this application (e.g. MoUs, media articles,).

7.2 What is the process to remove a first mortgage?

There are some important steps to consider before submitting a request to remove a first mortgage from a property where the Minister holds a first mortgage.

Step 1: Check your eligibility

- Check the detailed information contained in this guide and ensure that your organisation is eligible (refer section 3) to request the first mortgage be removed from the property/properties.
- Contact the Grants Information Line on 1300 366 356 if you are unsure whether the Minister holds a first mortgage over a property owned by your organisation.

Step 2: Complete and acquit all grants approved under this program

- If you wish to apply for funding under the FMCIP, funding for Category 1 and Category 2 must be acquitted prior to requesting the removal of the first mortgage for the property.
- All grants approved under this program must be fully acquitted to the Department's satisfaction before a request to remove the first mortgage will be considered. Special circumstances may apply where there are multiple properties.

Step 3: Check that you have completed all requirements on the First Mortgage Readiness Checklist.

- The checklist requirements must include a written response that demonstrates how the removal of the first mortgage will contribute to building enterprises, wealth and jobs for the Aboriginal community.
- A copy of the feasibility study and/or sustainable business modelling must also be provided.
- You can make enquiries or discuss this with the Grants Information Line on 1300 366 356.

Step 4: Apply online using DPC's online grant portal.

- All requests must be submitted online using DPC's online portal via vic.gov.au/fmcip.

Step 5: Notification

- All applicants will receive an automated reply notification by email.

7.3 How will submissions to remove the first mortgage be assessed?

Submissions to remove the first mortgage will only be considered when satisfactory evidence is provided of the completion of all requirements on the First Mortgage Readiness Checklist. This is a prerequisite for removal of the first mortgage. The assessment will include a review of all items on the First Mortgage Readiness Checklist to the Department's satisfaction.

All requests must demonstrate that the removal of the first mortgage will contribute to building enterprises, wealth and jobs for the Aboriginal community.

The First Mortgage Readiness Checklist will form 100% of the weighting given in the assessment process (see section 7.1).

All Removal of First Mortgage submissions will be reviewed and considered by an Advisory Panel. The Advisory Panel will evaluate submissions and make recommendations to Aboriginal Victoria. These recommendations will be provided to the Minister, who will make the final decision.

8. Privacy

Information requested by DPC in this application form will be used to assist DPC to assess your eligibility for funding, coordinate grants and remove first mortgages in relation to the Program. Personal information provided by you will be handled in accordance with the Privacy and Data Protection Act 2014 (Vic) and applicable laws.

DPC, its officers, employees, agents and sub-contractors may use and disclose any of the information provided with the application to Victorian Government departments or agencies, Victorian Government bodies, non-government organisations and/or the Commonwealth, states or territories for any purpose in connection with the administration of the Program. Successful applications may also be the subject of media releases and disclosure as otherwise provided in the 'Terms and Conditions' of the Funding Agreement.

You may access a copy of DPC's Privacy Policy in relation to the management of personal information collected by contacting 1300 366 356.

Authorised and published by the Victorian Government, 1 Treasury Place, Melbourne.

9. Accessibility

If you would like to receive this publication in an accessible format, please telephone the Grants Information Line on 1300 366 356.

For More Information

For preliminary information on this or any other grant program please contact the Grants Information Line on 1300 366 356 for the cost of a local call (except from a mobile phone) on any weekday between 8:30am and 5:00pm (except for public holidays).